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Permanent sovereignty of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources

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Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and the Arab population in the occupied Syrian Golan

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Note by the Secretary-General

In its resolution 1998/32 of 29 July 1998, entitled "Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and the Arab population in the occupied Syrian Golan", the Economic and Social Council requested the Secretary-General to submit to the General Assembly at its fifty-fourth session, through the Council, a report on the implementation of the resolution. The General Assembly, in its resolution 53/196 of 15 December 1998, reiterated the request for a report. The annexed report is submitted in response to the two above-mentioned resolutions.

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Annex
Report prepared by the Economic and Social Commission for Western Asia

I. Introduction

1. At its forty-fifth plenary meeting on 29 July 1998, the Economic and Social Council adopted resolution 1998/32 on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and the Arab population in the occupied Syrian Golan. In that resolution, the Council, *inter alia*, stressed the importance of the revival of the Middle East peace process on the basis of Security Council resolutions 242 (1967), 338 (1973) of 22 October 1973 and 425 (1978) of 19 March 1978, and the principle of land for peace as well as the full and timely implementation of the agreements reached between the Government of Israel and the Palestine Liberation Organization, the representative of the Palestinian people. It also stressed the need to preserve the territorial integrity of all of the occupied Palestinian territory and to guarantee the freedom of movement of persons and goods in the territory, including the removal of restrictions into and from East Jerusalem, and the freedom of movement to and from the outside world. The Council further stressed the vital importance of the operation and construction of the Gaza airport, the seaport in Gaza and safe passage to the economic and social development of the Palestinian people. The Council called upon Israel to cease its measures against the Palestinian people, in particular the closure of the occupied Palestinian territory, the enforced isolation of Palestinian towns, the destruction of homes and the isolation of Jerusalem. The Council reaffirmed the inalienable right of the Palestinian people and the Arab population of the occupied Syrian Golan to all their natural and economic resources and called upon Israel not to exploit, endanger, or cause loss or depletion of those resources. It also reaffirmed that Israeli settlements in the occupied Palestinian territory, including Jerusalem, and the occupied Syrian Golan, were illegal and an obstacle to economic and social development. The Council requested the Secretary-General to submit to the General Assembly at its fifty-fourth session, through the Council, a report on the implementation of the resolution.

2. In its resolution 53/196, of 15 December 1998 on the permanent sovereignty of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population of the occupied Syrian Golan over their natural resources, the General Assembly took note of the report of the Secretary-General on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the Palestinian territory, including Jerusalem, occupied since 1967, and of the Arab population in the occupied Syrian Golan (A/53/163–E/1998/79, annex). It reaffirmed the inalienable rights of the Palestinian people and the population of the occupied Syrian Golan over their natural resources, including land and water; and called upon Israel, the occupying power, not to exploit, to cause loss or depletion of or to endanger the natural resources in the occupied Palestinian territory, including Jerusalem, and in the occupied Syrian Golan. It recognized the right of the Palestinian people to claim restitution as a result of any exploitation, loss or depletion of, or danger to, their natural resources, and expressed the hope that the issue would be dealt with in the framework of the final status negotiation between the Palestinian and Israeli sides. It requested the Secretary-General to submit a report to the Assembly at its fifty-fourth session. The present report responds to the two above-mentioned resolutions.

II. Economic and social repercussions of the Israeli occupation

A. Occupied Palestinian territory, including Jerusalem

3. The failure to fully implement the terms of agreements reached between Israel and the Palestine Liberation Organization (PLO) has caused continuing hardship to Palestinians in the occupied territory. Israeli settlement policy and closures of occupied territory continue to aggravate the living conditions of the Palestinian people and of the Arab population of the occupied Syrian Golan.

4. Civilian Israeli settlements have been built at some 200 sites seized by civilian and military bodies representing the Government of Israel and by Israeli civilians empowered by Israel to undertake such activity. The land under exclusive Israeli control amounts to around 71.8 per cent of the West Bank (Area C) and 20 per cent of the Gaza Strip. In addition, 30 per cent of the area of East Jerusalem is under effective Israeli ownership. No similar estimates are available for the Golan Heights, although it is known that over 17,000

inhabitants of Syrian nationality are living in a few villages close to the borders of the Syrian Arab Republic and Lebanon and that a similar number of Israelis have settled there.[1]

5. Israel has established approximately 150 settlements in the West Bank with a civilian population of 175,000. There are approximately 180,000 Israeli residents in East Jerusalem. In the Gaza Strip, there are 6,000 settlers in 16 settlements and 16,500 settlers in 33 settlements in the Golan Heights. By the end of 1999, more than 375,000 Israelis will be living in over 200 communities established since 1967 in the West Bank, East Jerusalem, the Gaza Strip and the Golan Heights.[2]

6. The geographic distribution of settlements in the occupied Palestinian territory severely restricts the growth of Palestinian communities. In most cases, settlements either surround Palestinian communities, and therefore prevent their natural growth, or huge tracts of Palestinian land are confiscated for future settlement expansion. A clear example is the Bethlehem area, which is surrounded in the south by the Gush Etzion bloc; in the west by Har Gilo and Beitar Ilit, as well as by two bypass roads; in the east by Tekoa and a bypass road; and in the north by Gilo and a bypass road. In the north also lies the site of the proposed settlement of Jabal Abu Ghneim.[3]

7. Israeli Government sources claim that 20,000 dwelling units have been constructed, if not necessarily completed and occupied, in the Palestinian territory under the new Government formed in 1996. Almost 14,000 units have been sold during the same period.[4] During 1998, existing West Bank settlements were expanded by 8,219 dunums (a dunum is equal to approximately 1,000 square metres), and those in East Jerusalem by 8,400 dunums.[5] The Prime Minister of Israel has inaugurated six new industrial parks, in the south Hebron area, near Ma'ale Mikmash, at Keddumim, Shaked, Ma'ale Ephriam and Ariel. Twenty new neighbourhoods in existing settlements and over 100 new "footholds", some of which are destined to evolve into new and distinct settlements, have been established. Five paramilitary settlements, known as "nahals", have been transformed into permanent civilian settlements: at Giva'ot near the Etzion Bloc, at Rachelim near Shilo and at Hemdat, Avnat and Baroush in the Jordan Valley. The Government has created five regional colleges, in Kiryat Arba, Ma'ale Ephraim, Avnat, Elon Moreh, and Kedumim.[6]

8. In the aftermath of the Wye accords, the Israeli Cabinet approved the construction of 20 bypass roads at a cost of $70 million throughout the West Bank. The purpose of the roads is to strengthen the Israeli presence in the West Bank by forging modern communication, security and transport links between the settlements and Israel.[7] By early January 1999, 14 of the 20 roads were in advanced stages of construction. In addition to many bypass roads whose construction has been facilitated through negotiations with the Palestinian Authority, comprising 18,036 dunums in 1998 alone, the Government of Israel has spent close to $70 million on major road construction projects in the West Bank, notably along the length of the Jordan Valley, the "Trans-Samaria Highway" crossing the northern West Bank, the road from the East Jerusalem community of Ramot to Ben Shemen in Israel, and Road 45, a major transport route from Tel Aviv to Jerusalem.[8]

9. According to the Wye Memorandum, agreements about the southern safe passage route, designed to connect Gaza with the West Bank via Hebron, should have concluded within a week of the date of entry into force of the Memorandum, and operation of this route should have begun as soon as possible thereafter. Agreements on the southern route have been delayed by unresolved issues relating to the northern route. There is no confirmed opening date for any safe passage between the Gaza and West Bank areas. Opening the port of Gaza has been similarly delayed owing to security demands by Israel. On the other hand, the international airport in the Gaza Strip, under joint Israeli and Palestinian Authority supervision, opened to limited traffic in late 1998. Continuing restrictions on the Palestinian Authority's operation of the facility have contributed to its failure, until now, to make a recognizable contribution to the Palestinian economy.

10. Peace Now reports that housing starts in West Bank settlements increased by 136 per cent during the first half of 1998, compared with a similar period in 1997. Using figures compiled by the Central Bureau of Statistics, Peace Now reports that there were 1,420 starts in the first half of 1998, compared with 600 in the same period one year earlier. Government construction increased by 245 per cent, from 290 to 970 units, while private sector construction in settlements increased by 45 per cent, from 310 to 450 units. At the end of June 1998, there were 3,390 units in various phases of construction, an increase of 16 per cent over June 1997. The public sector contribution to this figure increased by 41 per cent, from 1,660 units in June 1997 to 2,340 in June 1998.[9]

11. Peace Now reported on 19 July 1998 that 11 per cent of the apartments that had so far been built and marketed by the Ministry of Construction and Housing in 1998 were located in settlements (excluding East Jerusalem). Figures from the Ministry and the Israel Land Authority reveal that 5,242 of the 48,862 units that were planned for marketing

in 1998 were located in settlements (excluding East Jerusalem). In November 1998, the Ministry of Construction and Housing issued tenders for the first 1,000 units to be built in the settlement of Jabal Abu Ghneim. This allocation was part of a 1998 programme to tender more than 27 per cent of the national total of 23,000 units in lands occupied in 1967.[10] The construction under way attests to a significant campaign of intentional settlement expansion.

12. More than 20 per cent of all land to be marketed by the Ministry of Construction and Housing during 1999 is located in the occupied Palestinian territory. The Ministry intends to market land for 3,729 dwelling units in the occupied Palestinian territory during 1999 and 1,320 units at Jabal Abu Ghneim in East Jerusalem. Nationally, land for only 19,800 units will be marketed. The Ministry sales do not give a complete picture of the housing market, however, as they are geared towards young families and others eligible for Government assistance. Sites selected for sales in 1999 include Ariel (500 units), Alfe Menache (500), Emmanuel (400), Beitar (636), Efrat (100), Ma'ale Adumim (600), Givat Ze'ev (811) and Adam (182).[11] On 21 January 1999, the first contract was signed for the sale of apartments at Jabal Abu Ghneim.[12]

13. Close to 80 per cent of the 4,000 to 5,000 dwelling units on which construction began in the West Bank and Gaza Strip settlements during 1997 have been sold, according to numbers compiled by the Office of the Prime Minister.[13] The relatively attractive value of the settlements is the product of a number of factors: the classification of settlements as Development Area A, which entitles them to the highest level of public subsidy, including 50 per cent of the land costs; the low profit margins accepted by Amana, the construction arm of the settlement movement Gush Emunim and by settlement-based contractors; and less stringent building codes than apply in Israel. Construction costs of $500 to $600 per square metre result in selling costs of only $700 per square metre, far less expensive than similar charges in central Israel.[14] Notwithstanding this expansion in the West Bank, Peace Now reports a current vacancy rate of 25 per cent — 454 units out of 1,800 — in the Gaza settlements, a number disputed by settlement leaders as inflated. Tenders for the construction of 100 new units were issued in mid-1998 for the settlement of Nisanit, near the Jabaliya refugee camp. On 10 December 1998 a tender for the construction of four additional homes was published.[15]

14. The upsurge in settlement expansion in the West Bank continues. Thousands of apartment units are planned for settlements east of Jerusalem, in order to produce a ring of Israeli settlements around Jerusalem and a territorial bridge between Ma'ale Adumim and the settlement communities north and west of Jerusalem. Thousands of dunums of land currently under military control will be transferred to civil authorities for housing construction. In the Etzion Bloc of settlements south of Jerusalem, for example, 630 new dwelling units are currently under construction alongside 1,300 existing houses. Hundreds more are under construction in the larger settlement towns of Efrat, Ma'ale Adumim and Betar Ilit. A new industrial plant for the production of concrete has opened in the settlement bloc, the first in the settler area, to respond to the increased demand for construction materials.[16] In the "Benjamin region" (north-west of Jerusalem), more than 20,000 Israelis live in 30 settlements. In this area, there are 1,500 new dwellings under construction, enough to increase the population by 6,000. Expansion is occurring at Bet El, where 150 of these new homes are under construction, with an additional 50 expected to begin before the end of 1998. Located just north of Ramallah, Bet El is already home to almost 700 families and is one of the few settlements that may be in closer proximity to territory controlled by the Palestinian Authority after an anticipated redeployment of the Israeli military forces required by the Oslo and Wye accords.[17] Even in the Jordan Valley settlements, depressed by economic problems and a stagnant population, a new wave of expansion is under way.[18]

15. Israeli television channel one reported in June 1998 that there were 3,600 mobile homes, 1,400 of which stood empty, stationed in West Bank settlements, and 1,700 State-owned apartments were also reported empty. Amana, which was responsible for receiving the trailers, has become the almost exclusive controller of State assets in the West Bank in the past two years.[19] Peace Now reported on 13 August 1998 that 5,892 new units were under construction and that 2,888 out of approximately 42,000 dwellings in occupied Palestinian territory settlements were empty.[20] The Council of Jewish Communities in Judea, Samaria and Gaza reported in May 1998 that 95 per cent of current construction consisted of structures begun but later frozen by the Governments of Yitzhak Rabin and Shimon Peres.[21]

16. The Palestinian Center for Human Rights reported on 12 December 1998 that "wide-scale bulldozing can be witnessed in various areas of the Gaza Strip, especially close to the settlements in the agricultural areas (Khan Younis and Rafah City) and the area of Tel Zorub, which lies close to the Egyptian border. It is clear that Israeli settlement activity has taken on a new life, especially after the signing of the Wye River Memorandum on 23 October 1998."

17. The report of the Palestinian Center for Human Rights also noted the following activities:

(a) Three hundred and fifty dunums of land has been bulldozed in Tel Gnam, in the Khan Younis agricultural area and on land beside the Neve Dekalim settlement;

(b) Since 2 December 1998, Israeli bulldozers have been bulldozing a parcel of 150 dunums next to the Pe'at Sade settlement in an attempt to confiscate the land;

(c) On 6 December 1998, Israeli bulldozers stepped up their activities on a 30-dunum parcel along the road between the Gush Katif settlement and the Bedolah settlements (in the Rafah agricultural area);

(d) On 9 December 1998, five dunums of land planted with trees bearing unpicked fruit were bulldozed in the Tel Zorub area in Rafah (near the Egyptian border);

(e) The transport of sand from the Rafah agricultural area was also reported during the latter part of 1998;

"These activities", notes the Palestinian Center for Human Rights, "not only contribute to negatively changing the geography of the land, but also must be considered part of the organized theft of Palestinian natural resources by Israel."[22]

18. During 1998, Israeli authorities demolished 100 Palestinian homes in the West Bank and 45 in East Jerusalem.[23] Approximately 2 per cent of the West Bank has been confiscated for the use of bypass roads constructed since January 1996. In many, if not most, cases, confiscation orders date from 1993 or earlier.[24] According to a report in *Ha'aretz*, "since Oslo, 35 square kilometres of bypass roads have been paved for Israelis. Thousands of olive trees have been cut down and are being cut down in the process of the expansion of these roads. Palestinian villagers report that, in September 1998, 4,000 olive trees were uprooted in the area of Salfit near the settlement of Ariel."[25]

19. Bypass roads are built with a safety buffer of 50 to 100 metres on either side where all Palestinian residential and commercial construction is prohibited. "Existing Palestinian houses located in areas close to planned bypass roads", noted a recent study by a Palestinian researcher, "are being systematically demolished. The bypass roads built in the West Bank to date exceed 276 kilometres in length; those in the planning stage are estimated to reach 425 kilometres. With the safety buffer zone they enjoy, the construction of these bypass roads requires the confiscation and destruction of approximately 109,000 dunums of Palestinian land, most of which is agricultural, depriving owners of their main source of income."[26] Where bypass roads cross agricultural areas, there is an immediate financial impact. For example, along Road #60 running south from Jerusalem, one dunum sells for $60,000. The value of one dunum of grapes planted in the Hebron area is $2,800. Expected confiscations for the Arroub bypass south of Bethlehem, on lands known for their agricultural value, will have a particularly severe economic impact.[27]

20. Even though Israel continues to retain security control of Area B and the access roads to settlements in close proximity to areas under Palestinian control, the security of these settlements remains impaired. A few settlements, such as Sanur, west of Jenin, which is already almost empty, are not likely to survive as civilian settlements. In this regard, former head of Israeli military intelligence noted that protecting access roads to these settlements will be a constant source of provocations and conflict. The example of Netzarim in the Gaza Strip is most frequently recalled in this context. All travel from this isolated settlement proceeds under Israeli Defence Forces escort. Yet, the population of this isolated outpost has grown from 60 people to more than 200 in recent years.[28]

21. On 2 July 1998, a stand-off developed along the road from the Gaza town of Deir al-Balah to the al-Mouassi district after Israeli Defence Forces prevented a group of Palestinians, including a minister, from passing. The road had been closed to Palestinian traffic for three years. Palestinians, in response, blocked major road junctions near settlements. During the incident, Israeli Defence Forces reinforcements were sent to Gaza. Settlers were unable to enter or leave many settlements owing to the Palestinian blockades. At one point, the Israeli Defence Forces offered residents of Netzarim an airlift by helicopter to their settlement, but the 50 men, women and children stranded at the Karni crossing declined the offer. The road was opened to Palestinian traffic in early 1999.[29]

22. The immediate repercussions of Israeli settlement activity in the occupied Palestinian territory are the constant frictions between the settlers and the Palestinians. According to a report published by the Palestinian Authority in late August 1998, there have been attacks in the Hebron region involving firings at vehicles belonging to the Palestinian police and civilians. Reports of settlers torching Palestinian vehicles and trying to forcibly enter homes were received. Reports of a similar nature were received in the Nablus region, along with reports of settler attempts to establish control over Palestinian lands, as at the Yitzhar settlement, uprooting fruit trees, destroying crops and contaminating drinking water.[30]

23. Settlers continued to expose themselves to attacks, increasing tension in the occupied Palestinian territory. Towards the end of 1998, Israeli security officials noted that settlers had been targeted by Palestinian opposition groups.

Locations where everyday friction between Palestinians and settlers occurs, particularly in Hebron, as well as in the Nablus region, were cited as probable sites for violence against settlers. Both areas had experienced an upsurge in attacks on settlers and soldiers in the latter part of 1998, including the killing of two settlers from Yitzhar near Nablus on 5 August, the murder of a settler in Hebron on 20 August, an attack on a bus travelling to Joseph's Tomb in Nablus on 10 September and a grenade attack in Hebron on 30 September in which soldiers were injured. The constant friction in Hebron is leading to the de facto division of the city.[31]

24. According to the Palestinian Center for Human Rights, Israeli settlers and soldiers either shot and killed or otherwise caused the death of 34 Palestinian civilians during 1998. Settlers were directly responsible for 11 deaths in the occupied Palestinian territory.[32]

25. The repercussions of Israeli occupation on Palestinian health care has been severe. Responsibility for health care has been transferred to the Palestinian Authority as part of the Oslo I agreement, but has been largely supported by private organizations. The Palestinian Authority has not been able to cope financially with the burden of high population growth and extremely limited economic resources. As indicated in a 1993 survey, clinics in the West Bank numbered 85. There were 19 hospitals consisting of only 365 beds in 1993, 47 per cent of which were sponsored by the Government, 39 per cent by charitable organizations and 9 per cent by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).[33] These health services cater to a population of 2,018,818,[34] which by 1998 had grown to an estimated 3,017,296.[35] In 1993, only 18 per cent of the West Bank rural population was enrolled in the Government health insurance scheme.[36]

26. Regarding the occupation's repercussions on education, movement restrictions continue to affect school attendance for those students who must cross Israeli-controlled checkpoints. Furthermore, the increase in the size of the population in the occupied Palestinian territory is clearly reflected in the number of students attending schools. Student enrolment in the 1993/94 school year totalled 528,276. The total enrolment had grown to 832,729 by the 1996/97 school year. However, the increase in the number of students was not matched by an increase in the number of teachers. On the contrary, the number of teachers' training institutes decreased from 21 in 1993 to 16 in 1997.[37]

27. Economic development in Israeli settlements can have deleterious effects upon the Palestinian community. For example, at the settlement of Migdalim, the expansion of a leather factory resulted in the construction of a factory on 500 dunums of land claimed by a resident of the village of Jurish. New roads were opened to the factory site, near the main road leading to the village, which prevented landowners from reaching their lands.[38]

28. Numerous restrictions imposed by Israel for security reasons negatively affect Palestinians. For example, at a meeting on 28 April 1998 to discuss environmental issues, the Palestinian delegation demanded the removal of military roadblocks on the road leading to Shuwaykah north of Tulkarm, and the Nazlat 'Isa roadblock in the West Bank, which divides Nazlat 'Isa in two parts and obstructs the movement of citizens. The Palestinian side also demanded the reopening of Hablah Old Road, which had been closed by the Israelis. The Israelis replied that the road was closed for security reasons and stressed that these issues were being discussed by the higher security and civilian bodies. The Israeli side also said reopening Hablah Old Road would create many problems and cause several accidents. The Khirbat al-Hafasah road, which passes through a settlement, is the only road linking the village with the outside world. The Israeli side stressed that citizens and vehicles could not travel this road for security reasons and to prevent any friction with the settlers. The Israelis stressed the need to find an alternative route.[39]

29. The confiscation of lands declared by Israel as "State land" as a prelude to their transfer to Israeli control has a critical impact upon the Palestinian community. For example, at a 28 April 1998 meeting to discuss environmental issues at the Joint Israeli-Palestinian Liaison Committee headquarters in the settlement of Keddumim, the Palestinian delegation protested periodic Israeli efforts to alienate Palestinian land. The delegation cited the case of the Kafr al-Labad lands, which were annexed to the settlement of Avnei Hefetz, the Ramin lands, which were annexed to Enav settlement and the confiscation of lands and the uprooting of trees in Kafr Qaddum, near the settlement of Oranit. The Israeli delegation responded by stressing that no new confiscation orders would be issued, and emphasized that the areas noted by the Palestinian delegation included government land.[40]

30. Between 1972 and 1997, the Israeli population in East Jerusalem grew from 10.3 per cent to 48.1 per cent. It now comprises almost half of the sector's population. The Israeli population of East Jerusalem has increased to 17 times its 1972 level over this period, compared with the Palestinian population, which more than doubled over the same 25 years (118 per cent growth).[41]

31. Reports of the large-scale depopulation in Palestinian areas of East Jerusalem have been confirmed by a recent census conducted by the Palestinian Authority. Palestinians holding Jerusalem identity documents issued by Israel are generally believed to number almost 200,000. The number of Palestinians physically residing within the municipal boundaries enlarged by Israel is less than half that number. The number of Palestinians in the occupied Palestinian territory, including East Jerusalem, in 1998 was 2,895,683.[42]

32. A continuing factor in the Palestinian exodus from Jerusalem is financial. Many thousands of Palestinian residents of East Jerusalem have moved to more affordable housing in the nearby West Bank. In hundreds of cases, Palestinians with Jerusalem identity documents who reside outside the city have been forced by Israel to surrender their Jerusalem identity documents and thus their right to reside in the city. From January 1996 to March 1998, 2,000 Palestinians carrying East Jerusalem identity documents were denied the right to live in East Jerusalem by Israel, compared with 327 during 1987–1995.[43] The total number of identity documents confiscated in 1998 was 788 according to Israel's Ministry of Interior. The number is in accord with independent assessments.[44]

33. According to a report in *Kol Ha'ir*, on 6 February 1999, the Mayor of Jerusalem ordered that the demolition of "illegally built" structures in East Jerusalem be stepped up. From his election in 1994 to June 1998, the Mayor of Jerusalem has overseen the demolition of 49 Palestinian homes constructed without permits.[45] Peace Now reported on 22 June 1998 that, from January to June 1998, the Government of Israel had demolished 68 Palestinian dwellings in East Jerusalem and the West Bank, compared with 14 during a similar period in 1997. *Ha'aretz* reported that 249 Palestinian dwellings had been demolished in 1997 in the West Bank and East Jerusalem.[46] According to the Palestinian Authority, 40 Palestinian buildings were destroyed in East Jerusalem during the first six months of 1998.[47]

34. The plan for an "umbrella municipality" for Jerusalem and its environs, unveiled in June 1998, will, if implemented, bring West Bank settlements into "Greater Jerusalem" one administrative step further along the road to de facto annexation. The new plan would invest Israeli civilian agencies with more extensive powers over the development and expansion of settlements to be included in the scheme. Israeli officials insist that the proposal, important details of which remain to be approved, "is entirely an internal Israeli matter on the municipal administrative level rather than on the international level."[48] No settlements were specified for inclusion in the proposal but it appears likely that Ma'ale Adumim, Givat Ze'ev and Betar Ilit, with a combined population of almost 40,000, are high on the list of potential participants.[49] An analysis of the proposal by the United States Department of State was reported to note, "Insofar as planning and construction is concerned, the relevant Jewish settlements in the West Bank will be functionally detached from the authority of the Civil Administration (the Military Commander) and, in essence, will come under the direct control of civilian Israeli authority."[50]

35. Israeli occupation is strictly affecting and undermining the Palestinians' supply of drinking water as well as its quality. A report issued on 9 September 1998 by the Israeli human rights group B'tselem charged that Mekorot, Israel's national water company, drastically cuts water to Palestinian communities in the West Bank during the summer to meet increased consumption in Israel and its settlements in the territory. The report notes that the current division of water in the occupied territory is "based on an unfair division of resources shared by Israel and the Palestinians. Israel created a system of restrictions that prevents the Palestinians from utilizing water resources in a manner that meets their basic needs and population's birth rate." The report also indicates that Israel has imposed obstacles to the drilling of new wells, established quotas on the water drawn from wells, expropriated wells owned by Palestinians and neglected to maintain water systems. The report further notes that Mekorot supplies an unlimited amount of water to Israeli settlements, while denying nearby Palestinian communities a sufficient amount. One result has been an increase in infectious diseases from the use of unclean water.[51] According to the Oslo II agreement, of the 601 million cubic metres (mcm) of water available annually in the three main West Bank aquifers, 340 mcm (56.6 per cent) is earmarked for use in Israel, 143 mcm (23.8 per cent) for use by the 170,000 West Bank settlers (excluding those residing in East Jerusalem) and 118 mcm (19.6 per cent) for the 1.2 million Palestinians living in the West Bank.[52] It was reported in *Ha'aretz* on 27 July 1998 that more than 500,000 Palestinians in the West Bank, one third of the population, were without reliable regular sources of water. Palestinians blame the distribution policies of Israel's water carrier, Mekorot, a charge denied by Israel. *Ha'aretz* reported on 20 August 1998 that Palestinians are supplied with 50 to 85 litres of water a day, while settlers consume 280 to 300 litres a day.

36. Israeli control and neglect of the occupied Palestinian territory is having negative repercussions on the environment. There are approximately 260 Israeli-owned industrial concerns in the West Bank. These factories are located either in Israeli-operated industrial zones or inside

settlements. Information about these industrial activities is scarce. Some products have been identified, but detailed information on quantities produced, labour and waste generated is not available. The major industries within these industrial zones include: aluminium, leather tanning, textile dyeing, batteries, fibreglass, plastics and other chemical industries. For Israeli industrialists, the West Bank has, at least in one sphere, a comparative advantage over Israel.[53] Environmental regulations on soil, air and water quality and restrictions on industrial development have generally been far less comprehensive and much less assiduously enforced in the occupied Palestinian territory as compared with Israel itself. Combined with State-subsidized incentives for Israeli concerns to locate to industrial parks in and near settlements, the relative laxity of environmental enforcement and monitoring has led to the relocation of polluting industries into the occupied territory. On 16 October 1998, a military order was issued enabling Israel's Ministry of Environment to undertake enforcement actions and to enforce Israeli environmental legislation in West Bank settlements. It is too early to assess the record of enforcement under this new regulation.[54]

37. According to the Applied Research Institute of Jerusalem, a Palestinian environmental organization, "The accurate composition of industrial waste cannot be easily determined unless laboratory analysis is conducted, as its quality depends on the type of manufacturing process involved. Palestinian scientists face difficulties in collecting waste samples owing to lack of access to the effluent source. Therefore, only estimates of the composition of the generated waste can be made, where the type of industry indicates the major constituents of the hazardous material in the waste. The generated industrial wastes contain toxic elements, such as aluminium, chromium, lead, zinc and nickel. For example, the aluminium industry produces aluminium and acidic wastes. Electroplating produces nickel, chrome and acidic wastes."[55]

38. Reliable data about waste-water generated in the settlements is difficult to obtain. Approximately 4.3 million cubic metres of waste-water is generated annually from settlements in the West Bank. A large amount is dumped, untreated, on Palestinian land, creating a health hazard for many communities.[56] According to the documented statements of the Palestinian Ministry of Health, and the Environmental Health Department, the waste-water of numerous settlements flows onto the lands of Palestinian villages and towns nearby.[57]

39. Settlers acknowledge the problems caused by the increasing amount of waste products generated by expanding settlements. Settlers in Ofra, concerned about inadequate sewage disposal, agreed in early 1998 to fund a new treatment facility in part with municipal funds. Lack of attention to this issue in the construction phase is a more general problem, noted an environmental official in the settlement government offices. Ofra is not the only settlement where settlers acknowledge the problem. At nearby Kochav Ya'acov and Adam, sewage flows into streams and wadis.[58]

40. There are 45 concerns operating in the industrial park of Barkan adjacent to the settlement of Ariel. Most are engaged in the production of fabric and plastics for export. Until recently, the owners of these factories escaped the tighter rules on health and the environment applicable in Israel by operating in the West Bank, where they also receive tax breaks.[59] In addition to the industrial facilities at Barkan, industries operating at Ariel, Karnei Shomron, Kiryat Arba and Keddumim have been the target of Palestinian complaints.[60] Of particular concern is the effect of industrial development on the quality of groundwater, which Palestinian investigators have found to be significantly more polluted near settlements than elsewhere.[61]

41. At an 28 April 1998 meeting to discuss environmental issues at the Israeli Civilian Liaison headquarters in the settlement of Keddumim, the Palestinian delegation demanded the closure of Israeli factories built near the border area to the west of Tulkarm, especially the Geshurei and Dickson Gas factories that were moved from inside Israel. The Israeli delegation confirmed that an environment team had recently conducted a study on the subject but had not presented its final report; it added that the Palestinian side would be informed of the results.[62]

42. Numerous stone quarries in the West Bank supply 80 per cent of the material needs of Israel's construction sector. Israeli concerns operate six West Bank quarries, covering 1,673.3 hectares.[63] Many of these quarries are located in close proximity to Palestinian residential areas. The clouds of white dust produced by the quarries pose certain health risks. Recent reports note that those residing near such enterprises suffer from increased levels of asthma and acute bronchial infections.[64]

43. Palestinians have traditionally made up the bulk of the workforce engaged in the construction and daily maintenance of settlements throughout the occupied Palestinian territory. Palestinian labourers working in Israeli settlements number between 10,000 and 12,000 in more than 100 Israeli enterprises, including some 3,500 in the Erez industrial zone and settlements in the Gaza Strip and approximately 8,500 in industrial parks and settlements in

the West Bank,[65] but excluding those working in the settlement communities of East Jerusalem. The number of such workers has risen by around 50 per cent since the imposition of the closure in 1993, in parallel to an increase in the number of Israeli-owned factories in the occupied Palestinian territory. [66]

44. In contrast to the salaries of Palestinians employed in Israel itself, those of Palestinians employed in the settlements are not paid through the Payments Section of the State Employment Bureau. The Payments Section ensures that workers are paid at least the minimum wage and enjoy the accompanying social benefits (holidays, rest and recuperation pay, sick pay and pension funds). Wages paid to Palestinians working in the settlements range from 7 to 13 shekels per hour, although the legal minimum hourly wage is 14.3 shekels (the exchange rate is approximately 4 shekels to 1 United States dollar).[67]

45. In cases of work accidents in settlements, only workers who are Israeli citizens are insured by Israel's National Insurance Institute. Employers are required to provide Palestinian employees with private medical insurance, but there is no supervisory authority ensuring that they do so, nor is there any State supervision concerning safety conditions for Palestinian workers in the settlements. Furthermore, representatives of Palestinian trade unions are prevented from visiting workplaces in the settlements. In cases of litigation initiated by Palestinian workers against settlement employers, the latter choose the courts in the occupied territory and benefit from the application of the laxer Jordanian labour law still in force there.[68]

46. The unemployment situation in the occupied Palestinian territory remains critical, owing in particular to closures and the increased reliance of Israel on expatriate workers from outside the region. The number of Palestinian workers in Israel dropped from an average of 120,000 on a monthly basis in 1992 to 45,800 during the first half of 1998.[69] This situation worsened on 11 September 1998, when the Israeli authorities imposed a comprehensive closure on the occupied Palestinian territory, thereby invalidating over 45,000 work permits, and approximately 21,000 business persons' permits to enter Israel. On 17 September, the Israeli authorities began to issue valid work permits. By 29 September, 13,800 permits for Gaza workers and 9,500 for West Bank workers had been issued. On that day, the Israeli authorities re-imposed the comprehensive closure, which, except for 2 October, lasted until 13 October when permits began to be re-issued.[70] In September 1998, the reduction in labour flows resulted in estimated wage income losses of $11.4 million for permitted Palestinian workers, with perhaps greater losses for unofficial workers. By the end of 1998, more than 100,000 Palestinians were reported to be employed by Israeli enterprises, including 60,000 lawfully employed in Israel and 13,000 working in industrial zones and settlements.[71]

47. The July to September (1998) round of the Labour Force Survey Series conducted by the Palestinian Central Bureau of Statistics reveals the labour force participation rate in the occupied Palestinian territory to be 41.4 per cent (44.3 per cent in the West Bank and 34.4 per cent in the Gaza Strip). The unemployment rate was 21.5 per cent (18.2 per cent in the West Bank and 31.6 per cent in the Gaza Strip). The employment rate was 69.2 per cent (70.4 per cent in the West Bank, and 65.7 per cent in the Gaza Strip). The underemployment was 9.3 per cent (11.4 per cent in the West Bank and 2.7 per cent in the Gaza Strip). The same source indicates the average wage for the Palestinians was 54.4 shekels in the West Bank, 43.5 shekels in the Gaza Strip and 90.7 shekels in Israel.[72]

48. The macroeconomic impact of Israeli occupation on the occupied Palestinian territory inhibits investment and growth as a result of the continued ambiguity of the legal and political situation. There is no basic investment code in the areas controlled by the Palestinian Authority. Moreover, there is no final status agreement with Israel. In fact, "the complex overlay of laws and Israeli military orders in force during the occupation remains in place. This is further aggravated by border closures which include the ban on the movement of goods, factors of production and people between the Palestinian areas, Israel and the Gaza Strip, and between the rest of the West Bank and Jerusalem. Closure also often entails banning movement between the West Bank and Jordan and between the Gaza Strip and Egypt".[73]

49. Closures have a significant effect on the continuity and regularity of production, marketing, income generation and employment.[74] "Comprehensive closures were imposed on 26 days during 1998 ... Excluding weekends and holidays, there were 14.5 effective closure days, a loss of 5.2 per cent of total potential workdays, as compared with a 20.5 per cent loss in 1997."[75] According to a source at the International Monetary Fund (IMF), "the regime of border closures has a particularly adverse impact both because of the direct effect on investment incentives in the context of an already weak productive base and a small domestic market, and because the severe economic costs it imposes tend to slow or divert efforts by the Palestinian Authority and donors to alleviate the other significant impediments to private investment in the West Bank and Gaza Strip."[76] According to one source on issues related to property taxes, 240 commercial outlets inside Jerusalem's Old City have closed down as a result of the closures imposed since 1991.[77]

50. According to a recent report by the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO), real per capita GDP and GNP at end–1998 were, respectively, about $1,380 and $1,630, a 3.4 per cent decline in the former and a 2.1 per cent decline in the latter, as compared with 1997.[78]

51. Frequent border closures have also negatively affected trade, particularly exports from the territory, causing long delays that are detrimental to export goods, particularly fruits and vegetables. In addition, the delay in the arrival of raw materials from Israel to the occupied Palestinian territory upsets production plans and lowers capacity utilization.[79] Nevertheless, fewer imposed closures in 1998 resulted in an improvement in trade flows. Monitored truckload movements exiting and entering the territory grew an estimated 12.4 per cent in 1998 relative to 1997. Imported truckloads grew by 14.7 per cent while the number of exported ones grew by only 1.9 per cent. In nominal shekel value terms, total trade with Israel grew by about 9.3 per cent, with exports rising by 17.3 per cent (to about $492 million) and imports growing by 7.2 per cent (to about $1,714 million) as between 1997 and 1998. Direct registered imports from countries other than Israel grew by about 24.3 per cent (to about $143 million).[80]

52. The revival of private investment anticipated at the time of the Oslo accords has not materialized. Estimates show that the share of private investment in GDP fell from 19 per cent in 1993 to about 10 per cent in 1997. Moreover, private investment has been focused on the residential construction sector rather than on the traded-goods sectors.[81] In this light, "the new surface area licensed by Palestinian local authorities for private construction rose by 4.6 per cent in 1998. The area licences for residential construction rose by only 0.1 per cent while that for business construction increased by 32.6 per cent. Slower growth in overall construction licensing, despite the relative improvement in economic conditions, may be due to increased uncertainty regarding the peace process and/or a relative surplus of housing after several years of rapid expansion."[82]

53. The current uncertain border status and closures are the key reasons why expectations for a revival of private investment following the signing of the Oslo peace accords have not been met. The regime of closures, the failure to open a secure transport link and the failure to open the anticipated port in Gaza have reduced the profitability of the critical export sector and have resulted in a distorted pattern of investment in the occupied Palestinian territory. The opening of the airport in late 1998 may reduce the uncertainty regarding exports of certain goods.[83] Real private investment is estimated to have declined by an average of 10 per cent per year between 1993 and 1997, and private investment's share of GDP to have declined from 19 per cent of GDP, in 1993 to 10 per cent of GDP in 1997.[84] According to a top IMF economist, the year 1998 did not witness a significant change in real private investment.[85]

54. Bank lending and deposits in the occupied Palestinian territory have been modest. In 1997, lending remained at about 19 per cent of total assets, reflecting a depressed demand for credit by investors. The relatively low deposit to GDP ratio was, at the end of 1996, around 57.5 per cent. A substantial increase in total bank deposits is not, however, expected to take place before the successful conclusion of final status negotiations. Owing to political uncertainties, many Palestinians maintain bank accounts abroad.[86]

B. Occupied Syrian Golan

55. In the occupied Syrian Golan there are currently 16,500 Israelis, including 7,000 in the settlement community of Katzrin, the most populous in the region.[87] Settlers reside in 33 settlement communities established in the wake of Israel's 1967 capture of this area. The Syrian population of 17,000 resides in five villages in the north-eastern corner of the Golan.[88]

56. Settlement expansion in the Golan is concentrated at the settlement of Katzrin, with a population of 7,000, making it the largest. Three hundred new units were begun in mid-1997, and formal approval from the Minister of Defence is expected for the construction of an additional 1,000 units. To enable construction of the additional units, the municipal area of Katzrin was expanded by 1,200 dunums bordering a nature reserve.[89] For the first time since the beginning of Israeli settlement in the Golan, a private-sector contractor, as opposed to Government companies, undertook this residential construction project. The 300 cottages being built at Katzrin sell for $95,000 to $110,000. The State provides subsidized grants, benefits and loans comprising 90 per cent of this amount.[90]

57. In May 1998, 380 garden homes in 14 settlements were put up for sale. Monetary assistance of up to 95 per cent of the value of the property was offered. In August 1998, the Government of Israel unveiled a plan to almost double the settler population by constructing 4,500 new dwellings, including 2,500 vacation homes. A December 1998 report by Israel's Ministry of the Interior advises expanding settlement as part of a national effort to encourage the expansion of village settlement.[91] During the first eight months of 1998, 84 Israeli families moved to settlements in the Golan. In late January 1999, the Government of Israel

decided to expand a number of settlements: 200 homes would be built in four settlements. If tenders for these projects prove successful, additional projects will be tabled. In August 1998, Israel's National Planning Council approved the tripling of the population in the settlements.[92]

58. A second home in a settlement in the Golan is also viewed by some Israelis as a vacation/financial investment. During the first weeks of 1999, 20 residents from Tel Aviv purchased, for $2.6 million, homes in the settlement of Katzrin for investment purposes. Since the beginning of the decade, the average price of a home has more than doubled.[93] In early February 1999, the establishment of a settlement at the paramilitary outpost of Nimrod, located between the Syrian villages of Masada and Majdal Shams, was reported. Up to eight families were expected to settle at the site.[94]

59. Israeli-controlled territory in the occupied Golan, excluding considerable military zones and settlement areas, encompass nature reserves (24,908 hectares), cultivated areas (8,100 hectares), grazing areas (46,575 hectares) and orchards (2,531 hectares).[95] With regard to water, important streams flowing to Galilee, the Jordan River, as well as the Banias and the Dan rivers, originate in the Golan. These sources provide more than 300 cubic metres of water to Israel annually.[96] Local environmentalists in the Golan claim that Government officials have failed to do enough to protect the area's wildlife and to take into consideration the needs of local farmers seeking to protect their livestock. Poison placed in the area by local farmers to kill wolves attacking livestock appears to be the cause of what some environmental experts are calling an "ecological disaster". According to laboratory tests, the poisons used may continue to have an effect on the wildlife in the area for years to come and take as long as two decades to totally break down.[97]

60. While incentives and investment continue to promote the Israeli presence in the occupied Syrian Golan, the Arab population faces further deterioration in living conditions resulting from Israeli restrictions on employment and education in Israel, as well as from Israeli taxation policy.[98] Employment opportunities for the Arab population in the Syrian Golan are extremely restricted since movement remains problematic, particularly in the light of the current stalled peace process. The employment available to the Syrian population in the Golan is limited to unskilled and semi-skilled daily wage labour. In most instances, these workers have no access to social benefits or health insurance. Job security is extremely precarious, with no provision for unemployment compensation. Over and above these concerns, substantial wage differences prevail, to the detriment of the Syrian population of the Golan.[99] The improvement of living conditions is further inhibited by measures that restrict the expansion of educational facilities, and limited access to education in the Syrian Arab Republic or in Israeli colleges.[100]

Notes

[1] "Report of the Civil Administration for the West Bank", mimeo, chart 8.7 (no date).

[2] Economic and Social Commission for Western Asia, "The socioeconomic effects of Israeli settlement" (forthcoming).

[3] "Current and projected Israeli redeployment according to the Wye Memorandum-1998 (map)", *Report* (November 1998), p. 5.

[4] *Yerushalim*, 11 December 1998.

[5] According to the Palestinian geographer Khalil Tufakji. *Yerushalim*, 11 December 1998; *Ma'ariv*, 3 January 1999.

[6] *Yerushalim*, 11 December 1998; *Ma'ariv*, 3 January 1999.

[7] *Ma'ariv*, 3 January 1999.

[8] *Yerushalim*, 11 December 1998; *Ma'ariv*, 3 January 1999.

[9] *Ha'aretz*, 17 December 1998.

[10] *Report*, March 1998, p. 1.

[11] *Ha'aretz*, 8 January 1999; *Yerushalim*, 22 January 1999.

[12] *Ha'aretz*, 8 January 1999; *Yerushalim*, 22 January 1999.

[13] *Report*, May 1998, p. 1.

[14] *Report*, May 1998, p. 1; *Yediot Aharanot*, 10 December 1999.

[15] Ibid.; *Yediot Aharanot*, 10 December 1999.

[16] *Report*, September 1998, p. 9.

[17] Ibid.

[18] *Report*, September 1998, p. 1.

[19] *Report*, September 1998, p. 7.

[20] Ibid.

[21] "What's really happening in the settlements", Margot Dudkevitch, *Jerusalem Post*, daily Internet edition at http://www.jpost.co.il/com/Archive/21.May.1998/RealEstate/Article-21.html.

[22] "The Israeli occupation forces step up settlement in the Gaza Strip", 12 December 1998, Palestinian Center for Human Rights.

[23] *Jordan Times*, 7 January 1999.

[24] *Report*, January 1999, p. 11.

[25] "Trespassers on their own land — The backbone of the Palestinian economy, and the traditional, emotional mainstay of Palestinian existence — the olive tree — is under attack by Jewish settlers", by Amira Hass, *Ha'aretz*, 16 October 1998.

[26] *Report*, January 1999, p. 11.

[27] Estimates provided by Orient House officials in November 1998.

[28] *Report*, July 1998, p. 4.

[29] *Report*, September 1998, p. 7.

[30] *Ha'aretz*, 25 August 1998.

[31] *Report*, January 1999, pp. 6–7.

[32] Press release, Annual Report of the Palestinian Center for Human Rights, 15 February 1999.

[33] The West Bank Rural PHC Survey online, 1993; "Infrastructure and Health Services in the West Bank".

[34] Ajun L. Adlakha and others, "*Demography of the Palestinian population, with special emphasis on the occupied Palestinian territory*", ESCWA Population Bulletin, No. 43, ESCWA, Amman, 1995.

[35] Economic and Social Commission for Western Asia, *Demographic and Related Socio-Economic Data Sheets for Countries of the Economic and Social Commission for Western Asia as Assessed in 1998*, Table 1, Population by age group (forthcoming).

[36] The West Bank Rural PHC Survey online, 1993; "Infrastructure and health services in the West Bank".

[37] Economic and Social Commission for Western Asia, *Statistical Abstract of the ESCWA Region*, number of students by level of education and number of schools, institutes and universities by level of education, eighteenth issue (forthcoming).

[38] *Al Quds* (Internet version), www.cmep.com/september9.htm#Israel.

[39] Ibid., 29 April 1998.

[40] Ibid. The Joint Israeli-Palestinian Liaison Committee is a body created by the Oslo accords with the PLO to coordinate activities and responses to incidents in the West Bank and Gaza Strip.

[41] Statistical Yearbook of Jerusalem, 1997; Table III/13: "Population of Jerusalem, by age, population group, quarter and sub-quarter, 1996" (pp. 46–51).

[42] Results of a census taken in 1997 by the Population Bureau of the Palestinian Authority, *Ma'ariv*, 21 January 1998. East Jerusalem is defined as the old city occupied and annexed by Israel in 1967.

[43] *Kol Ha'ir*, 18 December 1998.

[44] E-mail dated 27 March 1999 from the Palestinian Society for the Protection of Human Rights and the Environment.

[45] The name of the Jerusalem Mayor referred to is Ehud Olmert. In contrast, during the last four years of Mayor Teddy Kollek's administration, 91 homes were destroyed. *Ha'aretz* reported in mid–1998 that five structures had been demolished. See *Report* (September 1998), p. 6.

[46] *Report*, September 1998, p. 6; *Ha'aretz*, 22 June 1998.

[47] *Report*, September 1998, p. 6.

[48] Ibid.

[49] Ibid., p. 7.

[50] Excerpts from a United States Department of State analysis of the proposed plan for an "umbrella municipality", including undetermined West Bank settlements, approved by the Israeli cabinet on 21 June 1998, *Report* (July 1998), p. 8.

[51] Steve Rodan, "B'tselem decries denial of water to Palestinians", *The Jerusalem Post Daily Internet Edition*, 10 September 1998.

[52] *Report*, September 1998, p. 8.

[53] "Environmental profile of the West Bank", Applied Research Institute of Jerusalem (no date).

[54] The Israeli Ministry of Environment and the Manufacturers Association of Israel have signed an agreement to reduce industrial plant emissions in order to meet standards that have been set by the Ministry, based on European Union standards. A joint committee will be set up by the Ministry and the Association to deal with problems, violations and complaints regarding the agreement (Economic Survey, Israel Government Press Office, 16 November 1998).

[55] Applied Research Institute of Jerusalem (www.arij.org).

[56] "Environmental Impact", p. 34.

[57] "Environmental Pollution and Settlements", in Water Environment, Saleh Rabi and Ramez Titi, *The Palestine Hydrology Group*, February 1998, pp. 33–37.

[58] *Kol Ha'ir*, 20 March 1998.

"Burkan Settlement waste-water flows into Kufr Ad Diek, Bruquain and Surtah area sometimes reaching Balout. This kind of waste-water is the most dangerous since it consists of industrial waste-water, such as metal plating and others. Enamel settlement waste-water flows to the collection station of waste-water in Qana valley in Salfeet. Waste-water is then pumped to the foot of the near mountain for planting purposes and the excess of the waste-water flows in the valley. Even the pumped water is returned to the valley. An inefficient desalination plant for waste-water is found in Ariel. The waste-water flows into Al Matwi Valley west of Salfeet, where it mixes with the flowing water from Al Matwi Valley, which is then used for agriculture.

"Waste-water flows from the settlement of Shar'arei Tikva to the agricultural lands of Beit Amin in Kalqilia, causing agricultural damage. The sewage of Alfe Menashe flows through a closed pipe to the pumping station of waste-water within the boundaries of 1948. The inefficiency of the pump has led to sewage and waste-water flowing into the village of Habla and Kalqilia. Waste-water from Efrat flows to the agricultural lands in Bethlehem. Waste-water flows from the settlement of Neve Daniel, damaging agricultural lands in Bethlehem and in el Khader village as well as groundwater aquifers.

"The Israeli army camp of Al Majnouneh near Hebron causes environmental damage owing to the waste-water flowing into the al Fawwar spring. This spring is usually used for agricultural purposes", "Environmental Pollution and Settlements".

[59] Hisham Abdallah, "A tour of the West Bank: from settlement to settlement", Agence France Press, 17 October 1997.

[60] Palestinian Society for the Protection of Human Rights and the Environment, "Water quality in the West Bank" (October 1996), p. 6.

[61] Ibid.

[62] *Al Quds* (Internet version), 29 April 1998.

At the meeting, the Palestinian side demanded an end to the Israeli works in the industrial zone in 'Izbat al-Tabib and Jayyus quarries. The Israeli side responded by saying all works in 'Izbat al-Tabib area would be stopped at the request of the Palestinian side, and added that all the work that had been done in the past had not been coordinated with the military bodies. Within the same context, the Israeli side said that work in the Wadi al-Tin area had been stopped at the Palestinians' request following a thorough study of the subject that had lasted over one year. Minister al-Tarifi referred to the issue of bribes associated with the quarries, and Major General Ya'cov Or responded that a committee had been set up to investigate the subject and presented its recommendations to the Israeli defence minister, adding that the report did not reveal that any Israeli official acted inappropriately.

[63] Applied Research Institute of Jerusalem, "Wadi Teen Quarry and the Systematic Expropriation of Palestinian Natural Resources", www.arij.org/paleye/waditeen/, p. 2.; "Legislative Council Investigates Israeli/Palestinian Partnership in Stone Production", *People's Rights*, July 1997, p. 6.

[64] *Palestine Report*, 27 June 1997.

[65] Israeli Ministry of Foreign Affairs, Information Division, "Economic relations between Israel and the Palestinian Authority", background paper (February 1998).

[66] *Kav Le'oved* (Workers' Hotline) Newsletter, August 1998.

[67] Ibid.

[68] Ibid.

[69] Economic and Social Commission for Western Asia, *Survey of Economic and Social Developments in the ESCWA Region, 1997–1998* (E/ESCWA/ED/1998/5); UNSCO report on Economy of the West Bank and Gaza Strip (Autumn 1998), Salem Aulini, Head, Economic and Social Monitoring Unit, Office of the United Nations Special Coordinator in the Occupied Territory, Gaza, p. 2.

[70] UNSCO, op. cit., pp. 5–6.

[71] *The Prime Minister's Report*, 25 November 1998, issued by the office of Prime Minister Benjamin Netanyahu.

[72] *Nakba Report*, "The Palestinian territories in statistical figures and indicators", Palestinian Central Bureau of Statistics, May 1998.

[73] "Palestine Economy Policy Research Institute (MAS)", *Mas Economic Monitor*, No. 1 (1997), pp. 2–3.

[74] Ibid., pp. 7–9.

[75] UNSCO report on economic and social conditions in the West Bank and Gaza Strip, spring 1999.

[76] "Private investment and uncertainty in the West Bank and Gaza Strip", Oussama Kanaan, *Economy*, p. 25.

[77] *Al Ayyam*, 23 October 1998.

[78] UNSCO, op. cit., p. 3.

[79] Palestine Economic Policy Research Institute, op. cit., pp. 8–9.

[80] UNSCO report on economic and social conditions in the West Bank and Gaza Strip, spring 1999.

[81] "Introduction", Milan Zavadjil, in *Economy*, p. 2.

[82] UNSCO report on economic and social conditions in the West Bank and Gaza Strip, spring 1999.

[83] "Introduction", Milan Zavadjil, in *Economy*, p. 2.

[84] Oussama Kanaan, op. cit., p. 18.

[85] Oussama Kanaan, 6 April 1999.

[86] Palestine Economic Policy Research Institute, op. cit., pp. 31–36.

[87] *Report*, September 1998, p. 5.

[88] Ibid.

[89] *Report*, September 1998, p. 5; *Ha'aretz*, 22 August 1998, *Yediot Aharanot*, 20 December 1998.

[90] Ibid.

[91] *Report*, September 1998, *Ha'aretz*, 23 August 1998, *Yediot Aharanot*, 20 December 1998.

[92] *Ha'aretz*, 31 January 1999.

[93] Ibid.

[94] *Ha'aretz*, 9 February 1999.

[95] Golan Heights information server (www.golan.org.il).

[96] Ibid.

[97] *IsraelWire*, 5 July 1998.

[98] "Report on Israeli practices against human rights of Syrian citizens in the occupied Syrian Golan, by the Ministry of Foreign Affairs, Syrian Arab Republic, June 1997 (Mimeo) (in Arabic), pp. 12–20.

[99] Ibid., pp. 16–17.

[100] Ibid., pp. 20–24.

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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

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Geneva, 5–30 July 1999
Item 5 of the provisional agenda**
Special economic, humanitarian and disaster relief assistance

Assistance for the reconstruction and development of Djibouti

Report of the Secretary-General

I. Introduction

1. The present report is submitted pursuant to General Assembly resolutions 48/198 and 50/58 F, 51/30 E, 52/169 K and 53/1 J on assistance for the reconstruction and development of Djibouti. It provides a brief description of the progress made in the implementation of the most recent resolution.

II. General situation

2. The country covers an area of 23,000 square kilometres (km^2), characterized by an arid climate and extremely limited water and agricultural potential. However, the country is strategically situated in the Horn of Africa at the juncture of the Red Sea and the Indian Ocean. It has a coastline of 370 km and common borders with Eritrea in the North, Ethiopia in the West and South, and Somalia in the South-East. Djibouti is the natural commercial door for Ethiopia.

3. The majority of Djiboutians are from the Afar and Somali ethnic tribes; the other groups are Yemeni Arabs and French. The country's population was estimated at 620,000 in 1996, mostly urban and concentrated in the capital, Djibouti City, where almost two thirds of the population reside. The annual natural growth rate is estimated at 3.1 per cent but the actual population growth rate for the past decade has been 5 per cent. In addition, there is a large refugee population from neighbouring countries, which has placed enormous strain on the meagre resources available. The total number of refugees and displaced persons is not known, and estimates range from 100,000 to 150,000.

4. According to the *Human Development Report 1998*,[1] Djibouti is ranked 162 among the 174 countries reviewed. The overall social situation of the country is precarious due to the limitations of the education and training system, inadequate health facilities, the limited natural resources, and the very small private sector. The adult literacy rate is

* A/54/50.
** E/1999/100 and Add.1.

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no more that 45.5 per cent, while life expectancy at birth is one of the lowest in the world (49 years).

5. Women play an active role in the economy of Djibouti, especially in the informal and small-enterprise sectors, and constitute 32.2 per cent of the labour force. In the formal urban sector, women are employed mainly as clerical or administrative staff, while in rural areas they play an important role in livestock raising.

6. According to the available data, non-Djiboutians that were unsettled by the conflicts in the Horn (i.e., immigrants/refugees) consume more than 50 per cent of the Djiboutian health services. With the health system completely free for all and with the increasing numbers of beneficiaries, the system can no longer provide adequate services to the entire population. In addition, the internal armed conflict has caused physical damage to the health infrastructures.

7. Djibouti's primary education is currently provided by a network of 64 public and nine private schools. Student/teacher ratios in primary schools range from 34 to 43 in the rural areas and are about 46 in the city. Some schools with large numbers of students are forced to practise double-shifting, a system which may have to be extended if the growing demand for more public education cannot be met by increased investment in more schools. In some areas, schools have been closed because of lack of adequate infrastructure and teachers.

8. The employment situation is closely linked to the educational sector. Each year, more than 4,000 young people have no access to a general secondary education or to any kind of professional training. They arrive in the labour market without any qualifications. The number is expected to grow within the next few years, particularly in Djibouti City as internal migration from the rural areas to the capital increases due to the shortage of pasture and fertile land.

9. Djibouti has a dual economy which is characterized by an important informal sector serving a population with low purchasing power, and by a modern economy based on a solid port and airport infrastructure, serving a population with a high purchasing power which depends almost entirely on imports.

10. It is estimated that more than 80 per cent of the enterprises fall into the informal and semi-informal sector, including a large number of informal microenterprises. Women, who figure strongly in this sector, could perhaps play an increased economic role if they were to have increased access to microfinancing.

11. In the absence of significant natural resources, the economy of Djibouti is based on services, a sector which contributed about 78 per cent of the country's gross domestic product (GDP) in 1998. The agricultural and industrial sectors remain very small (respectively 3 per cent and 20 per cent of GDP). Djibouti enjoys a relative regional comparative advantage thanks to its efficient transport infrastructure (port, airport, railroad), banking establishments and telecommunications facilities. It has one of the most liberal economic regimes in Africa. Its currency is freely convertible, and there are no controls on capital movement.

12. Economic indicators for Djibouti have been declining in the past few years. That factor is largely owing to the structural trade deficit, with a high level of imports and a low level of exports. The armed conflict in the North and South-West, which forced most of the country's development projects to a halt, and the unstable socio-political situation prevailing in Ethiopia and Somalia have accelerated the deterioration of the Djiboutian economy. Real GDP grew on average by 4 per cent over the period 1988–1992 and has declined since then to 1.5 per cent in 1997. Income per capita has experienced a real decrease, contracting by about 20 per cent over the past five years.

13. The Government's budget deficit in 1997 (excluding external budgetary grants) is about 8.1 per cent of GDP, the arrears increased to 1.1 per cent of GDP, and the unpaid bill to local suppliers, despite a slight improvement in 1998, is still comparable to last year's. The trade balance was negative in 1997 and according to the local Central Bank represents 32.1 per cent of GDP. Before it stopped paying its debts, the Government used its reserves for letting arrears accumulate. The public enterprise sector has had a serious cash problem, compounded by its contribution to the governmental budget — the Government owes US$ 90 million to public enterprises. The situation has worsened since 1995: arrears, which increased to 1.1 per cent of GDP, are still affecting civil servants' wages, external assistance has become rare and loans from public enterprises difficult to obtain.

III. Current situation

14. The democratic process initiated after the signature of the peace agreement with the opposition has led to a new multi-party political system. The first experience with the new system was the parliamentary elections of 1997, which resulted in the representation of the opposition group in the

national parliament and was followed by a coalition Government of national unity.

15. A second development in the political process came with the announcement that the first and only President since independence in 1977, Hassan Gouled, would not run in the presidential elections at the end of his term. The ruling party designated a new candidate who has since won against the representative of a broad and unified opposition parties and groups. As of May 1999, the country has its second elected head of State, Ismail Guelleh. The Government invited some external entities and bilateral countries to dispatch observers to the elections, which took place on 9 April 1999. Observers from such organizations as the Organization of African Unity (OAU), the League of Arab States, the Francophonie secretariat and some Arab, European countries embassies' representatives and the United States responded to the Government's invitation.

16. As a result of the Ethiopia-Eritrea dispute, Djibouti port activities, which have been absorbing only 25 per cent of the Ethiopian traffic so far, increased substantially in 1998, with a positive revenue impact for the Government and GDP. However, this sudden increase in the volume of Ethiopian import traffic through Djibouti has placed heavy demands on the port of Djibouti and related infrastructure. The country's main challenge today is to try to take advantage of this challenge, which has investment and capacity-building implications.

17. At the social level, conditions of life continue to be characterized by a decreasing purchasing power, which is in a worsening trend in 1997/98. In 1998, salary payments to civil servants were not always effected due to the high budget deficit. Poor health conditions, the low level of educational facilities and a workforce with limited qualifications also continue to hamper social progress.

18. Djibouti has initiated a demobilization programme with assistance from France and the European Union (EU). Of the 18,000 soldiers to be demobilized, about two thirds have received financial incentives to leave the army. Despite many obstacles in the demobilization process, according to the statistics provided by the Demobilization Unit of a World Bank-funded technical assistance project, another 750 soldiers have been successfully demobilized from June 1998 to date. However, those being demobilized face difficulties getting employment because of their low qualifications, unadapted skills and the state of the economy. The demobilization programme needs to be carefully synchronized with a socio-economic reinsertion programme as well as with ongoing rehabilitation activities in the regions affected by the conflict.

19. In 1998, frequent power failures and cuts continued to arrest any possibilities for growth in the services sector, greatly reducing the productivity of the labour force. Electricity ran for only about 4 to 6 hours a day. The power plant ran for only 10 per cent to 20 per cent of its capacity. However, the overall power situation is expected to improve and hopefully return to normal by the end of 1999 due to certain measures that the Government is undertaking in terms of strengthening this sector and negotiations to obtain some loans for the purpose.

20. The country is still facing financial obligations largely exceeding its capacity, while sources of financing both internal and external are shrinking. Development assistance has decreased and the number of French military personnel (the major contributor to GDP at almost 60 per cent) is diminishing.

21. The Government has signed a stand-by agreement with the International Monetary Fund (IMF). This agreement foresees the reduction of public spending, the consolidation of fiscal policy, the implementation of financial control procedures and increased efforts to improve economic management. However, the implementation of the agreement has run into serious problems, notably due to a lack of funds for demobilizing soldiers called up during the civil war. In May 1997, a round table of donors partially alleviated this constraint: France and the EU agreed to assist in the demobilization process. Consequently, negotiations started with IMF to conclude a structural adjustment agreement financed against the Enhanced Structural Adjustment Facility, which is now expected to be signed in June 1999. The IMF programme is backed by World Bank funding, which includes institutional reforms, consolidation of the public sector and financial stabilization. The implementation of the programme, which began in 1997, is still ongoing.

22. In Djibouti City, where 65 per cent of the population live, and in certain coastal areas, the water points have reached a high degree of salinity. A recent report indicates that a dramatic shortage of drinkable water for the Djibouti City population can be expected in about the year 2000. The human immunodeficiency virus (HIV) and other diseases, such as tuberculosis, are prevalent, and last year's heavy flooding led to outbreaks of malaria and cholera.

IV. Major issues

23. Since the peace accord which ended the civil strife, reconstruction and development have been under way but slow. The social reintegration of the demobilized soldiers

and their socio-economic reinsertion remain priorities for the country. Social infrastructures, such as hospitals, dispensaries, schools and water points, have to be reconstructed so that the displaced population can be resettled. Development activities need to be initiated in support of primary health care, primary schools and income generation. Environmental problems related to desertification are very serious. They have been exacerbated by urban and rural poverty, which is both a cause and an effect of environmental degradation.

24. Even if all the political and administrative difficulties encountered in the execution phase of the rehabilitation programme for the war-affected districts have not yet been overcome, several activities have been successfully implemented to favour the sustainable resettlement of the displaced persons, such as the rehabilitation of Obock-ville's Hospital and Dikhil-ville's water supply facilities, as well as the implementation of a small-scale microcredit project targeting the women of Tadjourah.

25. Budget reductions have seriously affected education, health and social sectors. Djibouti's education system is currently under pressure to meet the challenges of growing unemployment, rising demand from a young population and a large influx of refugees. High drop-out rates, at both the primary and intermediate school levels, also adversely influence the employment potential of Djibouti's youth. Technical and vocational training is very limited, and there is a need for new policy ideas in education and employment. The country receives technical and financial support from the World Bank through a social fund, a mechanism aimed at tackling the social consequences of the structural adjustments and at alleviating poverty.

V. Role of the United Nations

26. There is close cooperation among United Nations agencies and an increasing focus on social development. Efforts to define a common strategy on programming matters based on the development priorities of the country have been intensified recently. United Nations activities in Djibouti currently concentrate on health, food security, rehabilitation and reconstruction, environmental issues and capacity-building, refugee repatriation, governance, gender mainstreaming, and integration of NGOs and the civil society in development.

27. Within the framework of General Assembly resolution 50/58 F, the UNDP-funded reconstruction and rehabilitation programme for conflict-affected regions of Djibouti, which was started in 1996, continues to achieve its objectives within national priorities of the country. The US$ 1.7 million programme aims at establishing a framework for future action and enhancing national capacity to articulate and manage national reconstruction and rehabilitation. Small projects that are directly identified by the communities through representative development committees are funded under the programme. A UNDP-financed programme for governance assists with economic reform, decentralization and regional planning, as well as public administration capacity assessment. Two other UNDP-funded programmes include providing assistance to the newly established bureau for the promotion of women and family issues and capacity-building for non-governmental organizations. Under the disaster management programme, UNDP is assisting the Government in building its capacities for disaster prevention, mitigation and management.

28. With funding from the Global Environment Fund (GEF) and under the Capacity 21 fund, the United Nations Development Programme (UNDP) is assisting the Government in capacity-building to implement all the global conventions and to manage the environment. Plans are also under way to assist the government resolve in a sustainable way through a geothermal programme.

29. Under the Joint and Co-sponsored United Nations Programme on HIV/AIDS (UNAIDS) UNDP, in collaboration with the World Health Organization (WHO), the United Nations Population Fund (UNFPA) and the French Government are supporting the Government's national programme against HIV/AIDS, in close collaboration within a very active thematic group under the auspices of the resident coordinator. Since 1996, UNDP, within the framework of UNAIDS, has been developing a process which led to the elaboration of a juridical and ethical frame. Various national partners and many other actors involved in the fight against AIDS have been closely associated with the process. Funds for reducing the socio-economic impact of HIV/AIDS are exhausted, and at present UNDP is trying to mobilize additional resources to continue the effort against the epidemic.

30. A major component of the structural adjustment programme still remains the demobilization process, which has not yet been completed. UNDP and the World Bank have provided financial support to strengthen the National Demobilization Committee's capacity to implement the programme. This process has been ongoing since early 1997. The World Bank is also funding a technical assistance programme aimed at accompanying the financial stabilization process. The programme has three major components, including public enterprise reforms and

privatization, institutional reforms, demobilization and social reinsertion.

31. The Office of the United Nations High Commissioner for Refugees (UNHCR) has, since 1994–1995, repatriated about 35,000 Ethiopian refugees from refugee camps in Djibouti to their homeland. There are indications that most of the 18,000 Djiboutians who fled the civil war have returned spontaneously, though it is estimated that there remain 3,000 to 6,000 Djiboutian refugees in Ethiopia. As of 1 January 1998, there were 1,056 Ethiopian refugees in the Djiboutian camps, along with 21,000 Somali refugees. In December 1998, 682 more Ethiopian refugees were repatriated successfully. Uncertain political and security problems, particularly the lack of clearance of some 440,000 landmines in the areas of origin of the Somali refugees in North-West Somaliland, have so far hampered any effective repatriation of Somali refugees.

32. The World Food Programme (WFP) is continuing its assistance to schools, hospitals and orphanages in districts that were directly affected by the war, and is working with NGOs to help provide food to some 2,000 malnourished children in clinics. Over 4,000 children have been assisted in the WFP school programme over the past four years. It should be noted that the percentage of girls in schools has increased to 42 per cent of the total, and the Ministry aims to reach 50 per cent countrywide over the next two years. WFP is also assisting women's adult literacy programmes.

33. WFP is studying the possibility of implementing a quick action project for rural people, particularly nomads, because they are highly vulnerable, have the worst rates of chronic malnutrition and can easily become acutely malnourished whenever there is a drought. It is trying to enlist the support of other specialized donors, both bilateral and United Nations (Food and Agriculture Organization of the United Nations (FAO)/International Fund for Agricultural Development (IFAD)) to support hydro-agricultural activities for these populations. Meanwhile, WFP has been able to assist over the last several years, either with direct multilateral drought emergency food aid, or indirectly by encouraging bilateral donors to give food aid on an emergency basis to nomads who are located in the districts affected by the war.

34. For the past seven years, since the beginning of the 1990s, WFP has been providing all the food requirement for the need of the Somalian and Ethiopian refugees, of whom 22,000 are still in the two camps.

35. Within the framework of the United Nations Children's Fund (UNICEF) regular programme, in collaboration with French cooperation, UNICEF and the Ministries of Health and Education rehabilitated and equipped 90 per cent of the schools and health centres destroyed during the internal conflict in three of the country's five districts. UNICEF provided equipment to the rehabilitated schools and clinics, and supported the training of teachers and health workers. Some 183 health workers were trained in integrated management of childhood and 203 traditional birth attendants in safe delivery techniques. UNICEF provided basic health kits to mobile teams in two districts (Dikhil, Ali Sabieh), and helped to set up a new central vaccine cold room.

36. Following a study in 1996, more emphasis was put on facilitating distance learning for girls and children who had dropped out of school, as well as supporting local NGOs and community associations in establishing low-cost community schools and various forms of non-formal education. The initiative supported the construction and equipping of two schools in peri-urban areas, where the majority of war-displaced people live. It also supported female literacy activities in partnership with local NGOs in order to enhance women's social, economic and political empowerment. In the same spirit, the Government instituted the Division for the Promotion and Development of Women's Affairs within the President's Office. Safe drinking water supply activities focused on rural districts. With the help of a contribution from the Government of Italy, 50 reservoirs (2,000 litres) and three water trucks were supplied to three districts (Dikhil, Obock, Tadjourah) in response to an emergency appeal during the 1996 drought. With the help of the Canadian Fund, a two-and-a-half km water pipeline was constructed providing safe drinking water to 18,000 people in suburban areas of the capital.

37. The quinquennial regular UNICEF/Djibouti cooperation programme 1999–2003 has been approved and has just started. This programme's main areas of focus are promotion of health and education, advocacy for the protection of women and children's rights. The overall budget allocated to this cooperation framework amounts to nearly $7 million.

38. Within the framework of its mandate, WHO is providing assistance to Djibouti in its reconstruction and rehabilitation efforts. The approach advocated by WHO is to have the community involved in solving local health problems. WHO gives priority to the programme of basic development needs, whose strategy is the self-reliance of the community. The programme, for which $38,000 is available, has already started in districts of Djibouti and Dikhil, and will be initiated in the coming months in the district of Tadjourah and later extended to the whole country. WHO expects other partners, particularly United Nations agencies,

to support this initiative. WHO also considers water supply and sanitation as an important concern, for which $39,500 has been provided. Concerning disease control, another area of WHO concern which includes several health programmes, particular attention has been paid to the strengthening of the capacity of the country to prevent and respond to epidemic diseases, for which $208,500 is available in addition to $100,000 that will be provided to the malaria programme in 1998 alone. Concerning HIV/AIDS as a particular problem, WHO as a member of UNAIDS has and will continue to participate in local activities through the thematic group within the resident coordinator system in order to reinforce the potential capacity of the national AIDS programme. At present, in addition to its technical and advocacy role, WHO contributes financially to the prevention and control of HIV/AIDS activities directly through its regular budget. It is understood that WHO, in collaboration with other partners, will continue to provide technical assistance, wherever needed, to the training of health personnel and to supplying drugs and medical equipment, particularly in the northern part of the country, which was severely affected during the war of 1991–1994.

39. Living conditions in the refugee camps are basic, and there is little prospect of introducing income-generating activities there. The four camps are located in remote sites close to the Ethiopian and Somali borders. Food assistance is provided by WFP, and medicine and nutritional advice by the Association of Medical Doctors of Asia, and UNESCO helps to educate about 1,500 refugee children in the camp schools. The Eglise protestant evangélise de Djibouti is providing limited social assistance to urban refugees living in Djibouti City. In addition to its role of providing international protection to refugees, UNHCR is funding and ensuring the overall supervision and monitoring of the assistance programme.

VI. Conclusions

40. Two years after the round table of May 1997, many of the promising pledges made by certain donors have yet to materialize.

41. Djibouti's difficulties and problems are first and foremost related to the economic and the financial crisis, which resulted from the civil strife and the change in the international and subregional situation. In addition, recurring emergency situations (drought, flood, epidemics etc.), combined with large-scale destruction of livestock, water points, large movement of displaced populations, health and education facilities as a result of the internal conflict in the country, have considerably increased Djibouti's need for emergency and humanitarian assistance.

42. The rural population in the country's five districts consists mainly of nomadic herdsmen living precariously on pastures depleted by drought and overgrazing. This situation has resulted in extensive livestock losses and reduced milk production to almost nothing. Drought also affects the urban population, with Djibouti City facing severe water shortages, especially in the summer months. There is an urgent need to find a way to make best use of rainwater and to explore additional water resources.

43. The rehabilitation process already initiated has to be strengthened. Djibouti still needs to rebuild much of its rural infrastructures so as to enable people to return to their original homelands. Schools, roads, hospitals, water facilities and dispensaries have to be reconstructed. Microcredit programmes and projects and programmes with high labour intensity have to be implemented to encourage the population to return to their villages. There is also a need to promote income-generating activities by introducing small-scale agriculture at the rural level. It is estimated that at least US$ 100 million is needed to mitigate the socio-economic impact of the civil war.

44. Building national management capacity in support of sustainable human development remains a vital priority. Assistance is needed in the fields of governance, administrative reform and economic management. It is also important to support the training of national officials to contribute to rebuilding the fragile and declining economy.

45. Djibouti will have to find a way to enable the refugees and the displaced of neighbouring countries to return to their countries of origin. This can be done with the active support of the Intergovernmental Authority on Development and UNHCR.

46. The education system needs to be modified to respond to Djibouti's needs and to avoid an increasing number of dropouts. At the same time, consideration must be given to how to provide opportunities to those without qualifications or with limited qualifications.

47. The Secretary-General remains deeply committed to the implementation of General Assembly resolutions 48/198, 50/58 F, 51/30 E, 52/169 K and 53/1 J. He calls upon the international community to provide financial support to enable him to provide technical assistance for meeting urgent socio-economic programmes for the reconstruction and development process in Djibouti.

Notes

[1] New York, Oxford University Press, 1998.